

CONTRACT LAW DIVISION

Office of the Assistant General Counsel for Finance & Litigation



Biweekly Report - Period Ending March 30, 1996

Gem Engineering v. DOC—GSBCA 13566-COM

In this contract appeal of the denial of a construction delay claim, the appellant asserts DOC is responsible for the total cost of the delay. GEM has requested 101 days and \$525K as the costs associated with delay caused by weather and delay in CASC's acquisition of permits for water and electricity. CASC granted GEM 20 days for unusually severe weather and 22 days for the delay in permanent power to the site. The CO issued a unilateral modification that provided \$13K in compensation. The CO denied the rest of the claim because GEM failed to identify the connection between the supporting documentation and its costs. The Rule 4 file is due on April 22. Catherine Shea and Jeff Hughes have the case.

NOAA Conference Expenses issues

We advised Angela Hunter, WASC Small Purchase Chief, that request for payment of the expenses of the Pacific Salmon Commission in connection with a canceled conference at the Four Seasons Hotel, Vancouver, B.C. should be handled as a travel reimbursement, and not as a contract matter. The contract had been between a member of the Commission (not a Government employee) and the hotel, and did not otherwise involve the

Government. The Department has statutory authority to pay the travel expenses of the U.S. section of the Commission (a bi-national body) within the limits of the Federal Travel Regulations. Since there is no privity of contract between the Department and the hotel, this should not be handled as a contract matter. Instead, it should be treated like a travel reimbursement, in the same way that expenses of advisory committee members are handled. Alice McKenna is advising.

QuanTech, Inc. v. DOC-GAO No. B-265869.2

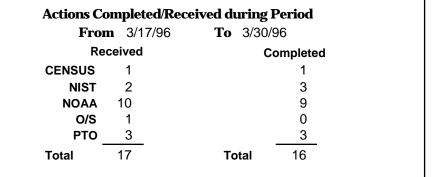
GAO has denied QuanTech's protest, which arose after an earlier protest filed by Marine Research Specialists was granted. In response to the earlier decision, NOAA elected to reopen the competition for new offers. Two new offers were received as a result (but not one from the protestor). QuanTech argued that only the successful protestor should have been allowed to submit an offer. GAO found that NOAA's implementation of its earlier decision was reasonable, and also that it would not question an agency's decision to expand competition. Fred Kopatich had the case with some assistance from Jerry Walz in Fred's absence.

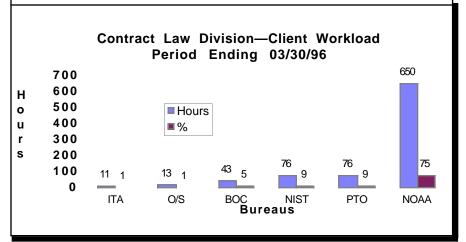
WASC

Jerry Walz and Mark Langstein visited newly-acquired client WASC. During the course of this very useful, jam-packed three day visit we met the entire WASC procurement staff and discussed how we would provide legal services as well as our general views on legal aspects of the contract process. We also had the opportunity to meet WASC staff in several different program areas to become familiar with their requirements and to discuss important legal concerns.

Garza v. DOC-GSBCA 13332-COM

In this contract appeal of the denial of a construction delay claim, the trustee in bankruptcy has signed a settlement agreement. The agreement will now be submitted to the bankruptcy court for approval. As the result of a recent call to the Contracting Officer, CLD is researching whether the payment bond surety has any grounds to demand payment of the settlement amount. If a serious question exists, we will examine whether an interpleader proceeding is needed. We also submitted a status report to the Board. Jeff Hughes has the case.





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